

HOUSE BILL No. 1788

DIGEST OF INTRODUCED BILL

Citations Affected: IC 22-4.

Synopsis: Unemployment insurance revisions. Changes the base period for computation of unemployment benefits to the last four completed calendar quarters. (Current law provides that the base period for computation of unemployment benefits is the first four of the last five calendar quarters.) Increases the earnings base used to compute unemployment compensation to a maximum of \$10,000 in a calendar quarter. (Current law provides that the earnings base used to compute unemployment compensation may not exceed \$5,800.) Provides that the maximum total amount of unemployment compensation benefits payable to an individual during any benefit period may not exceed 26 times the individual's weekly benefit, or 32% of the individual's wage credits with respect to the individual's base period, whichever is less.
(Continued next page)

Effective: July 1, 1999.

Liggett

January 26, 1999, read first time and referred to Committee on Labor and Employment.



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Digest Continued

(Current law provides that the maximum total amount of unemployment compensation benefits payable to an individual during any benefit period may not exceed 26 times the individual's weekly benefit, or 28% of the individual's wage credits with respect to the individual's base period, whichever is less.) Decreases the minimum wage credit necessary to qualify for unemployment compensation to \$2,000 in the base period, and requires the total wage credits in the base period to equal at least 1.25 times the wages paid in the highest quarter. (Current law requires \$2,750 in the base period with \$1,650 in the last two quarters of the base period, and requires the total wage credits in the base period to equal or exceed 1.25 times the wages in the highest quarter.)

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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1788

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 22-4-2-12 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. "Base period"
3 means the ~~first four (4) of the last five (5)~~ **four (4)** completed calendar
4 quarters immediately preceding the first day of an individual's benefit
5 period. ~~Provided, However, That~~ for a claim computed in accordance
6 with IC ~~1971~~, 22-4-22, the base period shall be the base period as
7 outlined in the paying state's law.
- 8 SECTION 2. IC 22-4-4-3 IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) For calendar quarters
10 beginning on and after April 1, 1979, and before April 1, 1984, "wage
11 credits" means remuneration paid for employment by an employer to
12 an individual. Wage credits may not exceed three thousand six hundred
13 sixty-six dollars (\$3,666) and may not include payments specified in
14 section 2(b) of this chapter.
- 15 (b) For calendar quarters beginning on and after April 1, 1984, and



1 before April 1, 1985, "wage credits" means remuneration paid for
2 employment by an employer to an individual. Wage credits may not
3 exceed three thousand nine hundred twenty-six dollars (\$3,926) and
4 may not include payments specified in section 2(b) of this chapter.

5 (c) For calendar quarters beginning on and after April 1, 1985, and
6 before January 1, 1991, "wage credits" means remuneration paid for
7 employment by an employer to an individual. Wage credits may not
8 exceed four thousand one hundred eighty-six dollars (\$4,186) and may
9 not include payments specified in section 2(b) of this chapter.

10 (d) For calendar quarters beginning on and after January 1, 1991,
11 and before July 1, 1995, "wage credits" means remuneration paid for
12 employment by an employer to an individual. Wage credits may not
13 exceed four thousand eight hundred ten dollars (\$4,810) and may not
14 include payments specified in section 2(b) of this chapter.

15 (e) For calendar quarters beginning on and after July 1, 1995, and
16 before July 1, 1997, "wage credits" means remuneration paid for
17 employment by an employer to an individual and remuneration
18 received as tips or gratuities in accordance with Sections 3301 and
19 3102 et seq. of the Internal Revenue Code. Wage credits may not
20 exceed five thousand dollars (\$5,000) and may not include payments
21 specified in section 2(b) of this chapter.

22 (f) For calendar quarters beginning on and after July 1, 1997, and
23 before July 1, 1998, "wage credits" means remuneration paid for
24 employment by an employer to an individual and remuneration
25 received as tips or gratuities in accordance with Sections 3301 and
26 3102 et seq. of the Internal Revenue Code. Wage credits may not
27 exceed five thousand four hundred dollars (\$5,400) and may not
28 include payments specified in section 2(b) of this chapter.

29 (g) For calendar quarters beginning on and after July 1, 1998, and
30 before July 1, 1999, "wage credits" means remuneration paid for
31 employment by an employer to an individual and remuneration
32 received as tips or gratuities in accordance with Sections 3301 and
33 3102 et seq. of the Internal Revenue Code. Wage credits may not
34 exceed five thousand six hundred dollars (\$5,600) and may not include
35 payments that are excluded from the definition of wages under section
36 2(b) of this chapter.

37 (h) For calendar quarters beginning on and after July 1, 1999, **and**
38 **before July 1, 2000**, "wage credits" means remuneration paid for
39 employment by an employer to an individual and remuneration
40 received as tips or gratuities in accordance with Sections 3301 and
41 3102 et seq. of the Internal Revenue Code. Wage credits may not
42 exceed five thousand eight hundred dollars (\$5,800) and may not

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1 include payments that are excluded from the definition of wages under
2 section 2(b) of this chapter.

3 **(i) For calendar quarters beginning on and after July 1, 2000,**
4 **"wage credits" means remuneration paid for employment by an**
5 **employer to an individual and remuneration received as tips or**
6 **gratuities in accordance with Sections 3301 and 3102 et seq. of the**
7 **Internal Revenue Code. Wage credits may not exceed ten thousand**
8 **dollars (\$10,000) and may not include payments that are excluded**
9 **from the definition of wages under section 2(b) of this chapter.**

10 SECTION 3. IC 22-4-12-4 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) Benefits shall be
12 computed upon the basis of wage credits of an individual in his base
13 period. Wage credits shall be reported by the employer and credited to
14 the individual in the manner prescribed by the board. With respect to
15 initial claims filed for any week beginning on and after July 4, 1959,
16 and before July 7, 1991, the maximum total amount of benefits payable
17 to any eligible individual during any benefit period shall not exceed
18 twenty-six (26) times his weekly benefit, or twenty-five percent (25%)
19 of his wage credits with respect to his base period, whichever is the
20 lesser.

21 **(b) With respect to initial claims filed for any week beginning on**
22 **and after July 7, 1991, and before July 1, 1999, the maximum total**
23 **amount of benefits payable to any eligible individual during any benefit**
24 **period shall not exceed twenty-six (26) times the individual's weekly**
25 **benefit, or twenty-eight percent (28%) of the individual's wage credits**
26 **with respect to the individual's base period, whichever is less. If such**
27 **maximum total amount of benefits is not a multiple of one dollar (\$1),**
28 **it shall be computed to the next lower multiple of one dollar (\$1).**

29 **(c) With respect to initial claims filed for any week beginning on**
30 **and after July 1, 1999, the maximum total amount of benefits**
31 **payable to any eligible individual during any benefit period shall**
32 **not exceed twenty-six (26) times the individual's weekly benefit, or**
33 **thirty-two percent (32%) of the individual's wage credits with**
34 **respect to the individual's base period, whichever is less. If the**
35 **maximum total amount of benefits is not a multiple of one dollar**
36 **(\$1), it shall be computed to the next lower multiple of one dollar**
37 **(\$1).**

38 ~~(b)~~ **(d) The total extended benefit amount payable to any eligible**
39 **individual with respect to his applicable benefit period shall be fifty**
40 **percent (50%) of the total amount of regular benefits (including**
41 **dependents' allowances) which were payable to him under this article**
42 **in the applicable benefit year, or thirteen (13) times the weekly benefit**



amount (including dependents' allowances) which was payable to him under this article for a week of total unemployment in the applicable benefit year, whichever is the lesser amount.

(e) This subsection applies to individuals who file a disaster unemployment claim or a state unemployment insurance claim after June 1, 1990, and before June 2, 1991, or during another time specified in another state statute. An individual is entitled to thirteen (13) weeks of additional benefits, as originally determined, if:

(1) the individual has established:

(A) a disaster unemployment claim under the Stafford Disaster Relief and Emergency Assistance Act; or

(B) a state unemployment insurance claim as a direct result of a major disaster;

(2) all regular benefits and all disaster unemployment assistance benefits:

(A) have been exhausted by the individual; or

(B) are no longer payable to the individual due to the expiration of the disaster assistance period; and

(3) the individual remains unemployed as a direct result of the disaster.

SECTION 4. IC 22-4-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) As further conditions precedent to the payment of benefits to an individual with respect to benefit periods established on and after July 6, 1980, and before July 7, 1985:

(1) the individual must have established, after the last day of his last base period, if any, wage credits (as defined in IC 22-4-4-3) and within the meaning of IC 22-4-22-3 equal to at least one and one-quarter (1.25) times the wages paid to him in the calendar quarter in which his wages were highest; and

(2) the individual must have established wage credits in the last two (2) calendar quarters of his base period in a total amount of not less than nine hundred dollars (\$900) and an aggregate amount in the four (4) calendar quarters of his base period of not less than one thousand five hundred dollars (\$1,500).

(b) As further conditions precedent to the payment of benefits to an individual with respect to benefit periods established on and after July 7, 1985, and before January 1, 1992:

(1) the individual must have established, after the last day of the individual's last base period, if any, wage credits (as defined in IC 22-4-4-3 and within the meaning of IC 22-4-22-3) equal to at least one and one-half (1.5) times the wages paid to the individual



in the calendar quarter in which the individual's wages were highest; and

(2) the individual must have established wage credits in the last two (2) calendar quarters of the individual's base period in a total amount of not less than one thousand five hundred dollars (\$1,500) and an aggregate amount in the four (4) calendar quarters of the individual's base period of not less than two thousand five hundred dollars (\$2,500).

(c) As further conditions precedent to the payment of benefits to an individual with respect to benefit periods established on and after January 1, 1992, and before July 1, 1995:

(1) the individual must have established, after the last day of the individual's last base period, if any, wage credits (as defined in IC 22-4-4-3 and within the meaning of IC 22-4-22-3) equal to at least one and one-quarter (1.25) times the wages paid to the individual in the calendar quarter in which the individual's wages were highest; and

(2) the individual must have established wage credits in the last two (2) calendar quarters of the individual's base period in a total amount of not less than one thousand five hundred dollars (\$1,500) and an aggregate in the four (4) calendar quarters of the individual's base period of not less than two thousand five hundred dollars (\$2,500).

(d) As further conditions precedent to the payment of benefits to an individual with respect to benefit periods established on and after July 1, 1995, **and before July 1, 1999:**

(1) the individual must have established, after the last day of the individual's last base period, if any, wage credits (as defined in IC 22-4-4-3 and within the meaning of IC 22-4-22-3) equal to at least one and one-quarter (1.25) times the wages paid to the individual in the calendar quarter in which the individual's wages were highest; and

(2) the individual must have established wage credits in the last two (2) calendar quarters of the individual's base period in a total amount of not less than one thousand six hundred fifty dollars (\$1,650) and an aggregate in the four (4) calendar quarters of the individual's base period of not less than two thousand seven hundred fifty dollars (\$2,750).

(e) As further conditions precedent to the payment of benefits to an individual with respect to benefit periods established on and after July 1, 1999:

(1) the individual must have established, after the last day of



1 the individual's last base period, if any, wage credits (as
2 defined in IC 22-4-4-3 and within the meaning of
3 IC 22-4-22-3) equal to at least one and one-quarter (1.25)
4 times the wages paid to the individual in the calendar quarter
5 in which the individual's wages were highest; and
6 (2) the individual must have established wage credits in an
7 aggregate in the four (4) calendar quarters of the individual's
8 base period of not less than two thousand dollars (\$2,000).

9 ~~(e)~~ (f) As a further condition precedent to the payment of benefits
10 to an individual with respect to a benefit year established on and after
11 July 1, 1995, an insured worker may not receive benefits in a benefit
12 year unless after the beginning of the immediately preceding benefit
13 year during which the individual received benefits, the individual
14 performed insured work and earned wages in employment under
15 IC 22-4-8 in an amount not less than the individual's weekly benefit
16 amount established for the individual in the preceding benefit year in
17 each of eight (8) weeks.

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